

COUNTY OF KAUAI  
Minutes of Meeting  
**Open Session**

Board/Committee:	<b>LIQUOR CONTROL COMMISSION</b>	Meeting Date	<b>November 19, 2015</b>
Location	Mo'ikeha Building, Meeting Room #3	Start of Meeting: 4:00 p.m.	End of Meeting: 4:49 p.m.
Present	Chair Paul Endo, Vice Chair Josephine Sokei; Members: Shirley Akita, Jean Iida, Gerald Matsunaga, Dane Oda Also: Liquor Control Staff: Director Gerald Rapozo, Private Secretary Cherisse Zaima; Deputy County Attorney Teresa Tumbaga;		
Excused	Pauline Ventura		
Absent			

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SUBJECT	DISCUSSION	ACTION
<b>Call To Order</b>		Chair Endo called the meeting to order at 4:00 p.m. with 6 members present, constituting a quorum.
<b>Roll Call</b>	Director Rapozo called roll, noting 6 members were present.	
<b>Approval of the Agenda</b>		Ms. Sokei moved to approve the agenda. Ms. Iida seconded the motion. Motion carried 6:0.
<b>Violation Hearings</b>	<p>a) <u>9<sup>TH</sup> ISLAND SPORTS BAR &amp; GRILL</u>: Violation of Rule 4.7(b) Gross liquor sales report, percentage fee and records.</p> <p>Jeff Nash, owner, was present; no counsel. The licensee admitted to the charges.</p> <p>Mr. Nash explained that his funds were a little short due to the temporary loss of his license for approximately 3 weeks in July. In response to Commissioner Matsunaga he explained this was because of tax reasons. When he realized the check had been returned, he made payment in full to the Department.</p>	<p>Mr. Matsunaga moved that a fine of \$500 be imposed. Ms. Sokei seconded the motion. Motion carried 6:0.</p>

	<p>b) <u>KAUAI SPORTS BAR &amp; ASIAN CUISINE</u>: Violation of Rule 4.7(d) Records and accounts.</p> <p>Wilma Bumanglag, manager, was present along with Ms. Lieu Huynh, spouse of the owner; no counsel. The licensee admitted to the charges.</p> <p>Director Rapozo noted the Department has received signed authorization from So Le, owner, allowing Ms. Bumanglag and Ms. Huynh to represent the licensee.</p> <p>Ms. Bumanglag explained that the person who previously took over Kauai Sports Bar side took all of the documents, and did not give them to the licensee for many months, which is why they were late in submitting all the documents. Ms. Bumanglag commented that the person handling the books did not have any records, and was just making up the numbers, which is why the numbers did not match up.</p> <p>Commissioner Matsunaga asked whether Ms. Huynh understood what the hearing was for, and asked if she would like to have a translator or interpreter, noting the seriousness of the offense, which could possibly result in the loss of their liquor license. If an interpreter is needed, one could be provided. Ms. Huynh stated she understands what the hearing is for, and does not need an interpreter. She further explained that the information they submitted to the department were not correct because they did not have any paperwork to support it.</p> <p>Commissioner Oda asked who the person is that they are expecting the paperwork from, to which Ms. Bumanglag replied Troy Morikawa. Commissioner Oda then asked if there is any interest for him to not provide the paperwork. Ms. Huynh explained that he stated he was always too busy, and that he would give it to her later; however, she had now received it. Commissioner Matsunaga asked when Mr. Morikawa had given it to her to</p>	
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	<p>which Ms. Huynh replied it was given in September.</p> <p>Commissioner Iida asked why Mr. Morikawa is still the manager there if he is not cooperating to which Ms. Huynh replied that now he and the bookkeeper are doing everything legal. (The rest of the response is unintelligible)</p> <p>At the request of Chair Endo, Investigator Moises stated that the documents the department is requesting is from July 1, 2014 to June 30, 2015 during which time Mr. Morikawa was not employed there the entire time. Ms. Huynh remarked that Mr. Morikawa left the bar from October to April, and during that time they had to try and take care of things, but it was difficult to do so because So Le (owner) has been sick.</p> <p>Chair Endo asked whether or not all of this has been taken care of, or has nothing been filed yet to which Investigator Moises stated the department has not received the documents yet. Commissioner Akita asked to clarify that Mr. Morikawa has the paperwork, but has not given the licensee the necessary documents to submit to the department. Ms. Bumanglag stated they do have it now as Mr. Morikawa gave it to them in September. Commissioner Akita stated for clarification that the licensee does have the documents required by the Department, but have not yet submitted them to which Ms. Huynh replied yes, explaining that she had given the box to Ms. Bumanglag to hold onto. Commissioner Oda asked is Ms. Huynh asked Ms. Bumanglag to submit it to the department to which Ms. Bumanglag stated the documents are currently in her car, but Ms. Huynh did not tell her that it needed to be submitted; she just asked her to keep it. Ms. Huynh further explained that because she does not live on the island, she gave it to Ms. Bumanglag in the event any documents were requested by the department.</p> <p>Chair Endo commented that this has not been resolved, and does not seem</p>	
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	<p>as though it will be resolved at this particular time. He asked the licensee whether the documents could be provided to the department in two or three weeks. Commissioner Akita suggested they close the hearing first, before they decide on the action the Commission would like to take.</p> <p>Chair Endo asked the licensee if there is anything else they would like to add to which Ms. Bumanglag replied there was nothing else.</p> <p>The violation hearing was closed.</p> <p>Commissioner Matsunaga moved that a fine of \$2,000 be imposed. Commissioner Iida seconded the motion.</p> <p>Commissioner Oda asked to clarify whether his motion was just for a fine, or if it should include that a report be submitted. In response to Commissioner Matsunaga, Director Rapozo stated it would be good to include a due date, which would make it more definitive. Commissioner Akita commented if the licensee needs more time, perhaps they need to stop selling liquor in order to get their records straight. Though a fine has been suggested, the Commission has been going through this with the licensee for a while, and she feels just imposing a fine is not going to get the records in. Chair Endo reminded the Commission of the motion currently on the floor.</p> <p>Commissioner Iida asked if they could impose a fine and suspend the license to which Director Rapozo replied it is one or the other.</p> <p>Commissioner Matsunaga moved that the liquor license be revoked. Mr. Oda seconded the motion.</p> <p>Commissioner Matsunaga commented that he is making such a motion because there has been no compliance. Commissioner Oda added that they</p>	<p>Mr. Matsunaga moved that a fine of \$2,000 be imposed. Ms. Iida seconded the motion. Motion failed 4:2 (Aye – Matsunaga, Sokei; Nay – Oda, Akita, Iida, Endo)</p>
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	<p>have been going through this with the licensee since September. Commissioner Akita commented she will be voting against this motion primarily because she feels the licensee needs to retain some sort of income; however, she would entertain another kind of suspension until the records have been submitted.</p> <p>Ms. Bumanglag asked if the Commission can give the licensee a week to submit the documents to which Chair Endo explained it is too late, the matter has been voted on, and is something that should have been acted on a long time ago.</p> <p>Chair Endo clarified that the revocation of the license would take effect immediately, and all liquor sales will have to cease within the entire licensed establishment, which includes the restaurant side as well as the bar. However, the licensee can continue to serve food only.</p> <p>Ms. Huynh asked whether they will have to close today to which Chair Endo replied yes. Director Rapozo added that the restaurant can remain open, but there can be no liquor sales. Ms. Huynh asked if this is just until she submits all the paperwork, and then they can reopen. Chair Endo stated no, it is too late.</p> <p>Commissioner Akita asked whether the licensee will now have to liquidate all alcohol to which Director Rapozo replied yes, the investigator would check the inventory and await a request from the licensee on what they want to do with the remaining liquor.</p>	<p>Mr. Matsunaga moved that the liquor license be revoked. Mr. Oda seconded the motion. Motion carried 5:1 (Aye – Matsunaga, Oda, Iida, Sokei, Endo; Nay – Akita)</p>
	<p>c) <u>PARADISE BAR &amp; GRILL: Violation of Rule 4.7(b) Gross liquor sales report, percentage fee and records.</u></p> <p>Tim Grooms, owner, was present; no counsel. The licensee admitted to the charges.</p>	

	<p>Mr. Grooms explained this was due to a miscommunication with his bookkeeper, and asked the Commission to take into consideration that this is his second violation in 18 years.</p> <p>Commissioner Akita asked whether the payment has since been received to which Director Rapozo replied yes.</p> <p>The violation hearing was closed.</p>	<p>Ms. Akita moved that a fine of \$500 be imposed. Mr. Matsunaga seconded the motion. Motion carried 6:0.</p>
	<p>d) <u>PAU HANA GRILL &amp; BAR</u>: Violation of Rule 4.7(b) Gross liquor sales report, percentage fee and records.</p> <p>Ronessa Alisna, owner, was present; no counsel. The licensee admitted to the charges.</p> <p>Ms. Alisna explained that she was out on an injury and hadn't been checking her mail at the time the notice of percentage fee was mailed out.</p> <p>Chair Endo asked how long the licensee had been in business to which Ms. Alisna replied since 2011. Chair Endo stated that she should know what the deadlines are.</p> <p>The violation hearing was closed.</p>	<p>Mr. Matsunaga moved that a fine of \$500 be imposed. Ms. Iida seconded the motion. Motion carried 6:0.</p>
	<p>e) <u>PORTOFINO RESTAURANT</u>: Violation of Rule 4.7(b) Gross liquor sales report, percentage fee and records.</p> <p>Giuseppe Avocadi, owner, was present; no counsel. The licensee admitted to the charges.</p>	

	<p>Mr. Avocadi explained that he simply forgot to tell his bookkeeper about the payment, but once he realized it, the payment was immediately brought in to the department.</p> <p>The violation hearing was closed.</p>	<p>Mr. Matsunaga moved that a fine of \$500 be imposed. Ms. Sokei seconded the motion. Motion carried 6:0.</p>
	<p>f) <u>TAHITI NUI</u>: Violation of Rule 4.7(b) Gross liquor sales report, percentage fee and records.</p> <p>Nanea Marston, manager, was present; no counsel. The licensee admitted to the charges.</p> <p>Ms. Marston explained that she had just had a baby around the time the percentage fee was due, and when she realized the payment was late she called the office to ask if she had to bring the payment in directly and was advised by the Secretary that it could be mailed in. Ms. Marston mailed the payment in and did not realize the department had not received the payment at all. After that, she personally delivered the payment to the office.</p> <p>Commissioner Oda asked that when the payment was mailed in, was is prior to September 30 to which Ms. Marston replied no.</p>	<p>Ms. Akita moved that a fine of \$500 be imposed. Mr. Matsunaga seconded the motion. Motion carried 6:0.</p>
	<p>g) <u>WALMART SUPERCENTER #2308</u>: Violation of Rule 4.7(b) Gross liquor sales report, percentage fee and records.</p> <p>Diane Keeler, manager, was present along with Alison Mizuo, counsel. The licensee admitted to the charges.</p> <p>Ms. Mizuo explained that around the time the notice of percentage fee was sent, they were going through a personnel change in the home office, and it slipped through the cracks. When it was discovered that the payment was</p>	

	<p>due, it was mailed right away; however, it was late. The company has since been taking steps to ensure that something like this does not happen again. She asked that the Commission take into consideration that this is the first violation of its kind for the licensee.</p> <p>Commissioner Akita asked for clarification that the corporate office is where this report is generated, and not at the local level where the sales are done to which Ms. Mizuo replied it is handled at the office on the mainland. She clarified that there are representatives at her office on O'ahu that facilitate it, but the payment itself would come from the mainland office. Chair Endo asked to clarify that the report itself is sent to the O'ahu office, and was received on time, but the payment was not made on time to which Ms. Mizuo replied she thinks the fee did not get paid on time due to the personnel change on the mainland.</p> <p>Commissioner Matsunaga stated the corporate office on the mainland sent a correspondence to the secretary instructing that the notices be sent to the mainland office, but he feels that where the payment is generated from is not the responsibility of the secretary.</p> <p>The violation hearing was closed.</p>	<p>Ms. Akita moved that a fine of \$500 be imposed. Mr. Matsunaga seconded the motion. Motion carried 6:0.</p>
	Commissioner Sokei left the meeting at 4:43 p.m.	
<b>Minutes of the Meeting</b>	<u>Minutes of the Meeting of November 5, 2015</u>	Ms. Iida moved to approve the minutes. Mr. Oda seconded the motion. Motion carried 5:0.
<b>1.</b>	<p><u>DIRECTOR'S REPORT:</u></p> <p>a) <u>INVESTIGATORS' REPORTS</u></p>	



	<p>b) <u>INCOMING COMMUNICATIONS</u>: (1) Fight and Disturbance Report from CJ’s Steak &amp; Seafood</p> <p>c) <u>OUTGOING COMMUNICATIONS</u>: (1) To All Wholesale Licensees, Re: New Liquor License for Sheraton Kauai Resort Link Café; New Liquor License for Destination Events Hawaii; Cancellation of Liquor License Casa di Amici</p> <p>d) <u>EMPLOYEES IN LICENSED PREMISES</u>: Managers and Assistant Managers – See Attachment.</p> <p>e) <u>ACTIONS OF THE DIRECTOR</u>: (1) KAUAI BEER COMPANY (2) LIVING FOODS (3) MERRIMAN’S (4) THE WINE GARDEN (5) THE WINE SHOP (6) CONTEMPORARY FLAVORS (7) WEST KAUAI BUSINESS AND PROFESSIONALS ASSOCIATION</p> <p>f) <u>INFORMATIONAL MATTERS</u>:</p>	<p>Ms. Iida moved to receive Items 1 (a) through (f). Mr. Oda seconded the motion. Motion carried 5:0.</p>
2.	<p><u>CHANGE IN CORPORATE OFFICERS</u>:</p> <p>a) <u>SEVEN-ELEVEN HAWAII, INC.</u>: Removal of Yoichi Tsuda as Director and Assistant Secretary.</p> <p>b) <u>DESTINATION EVENTS HAWAII, LLC</u>: Removal of Robert Wilson as Officer, Treasurer, and Director.</p>	

	c) <u>ALOHA PETROLEUM, LTD.</u> : Resignation of Patricia McGrory as Vice President and Chief Financial Officer.	Ms. Iida moved to approve the change in corporate officer. Mr. Oda seconded the motion. Motion carried 5:0.
3.	<p><u>TRANSFER OF LIQUOR LICENSE:</u></p> <p>a) <u>ALOHA ISLAND MART</u>: Application No. 2016-81 was filed on November 16, 2015 for transfer of Retail Dealer General License No. 4G-029 from MFM, Inc. dba Kapa'a Super Service to Aloha Petroleum Ltd. dba Aloha Island Mart located at 4-1125 Kūhi'ō Highway, Kapa'a, Kauai, Hawaii. Deposited \$275.</p> <p>b) <u>ALOHA ISLAND MART</u>: Application No. 2016-82 was filed on November 16, 2015 for transfer of Retail Dealer General License No. 4G-031 from MFM, Inc. dba Kekaha Menehune Food Mart to Aloha Petroleum Ltd. dba Aloha Island Mart located at 8171 Kekaha Road, Kekaha, Kauai, Hawaii.</p> <p>c) <u>ALOHA ISLAND MART</u>: Application No. 2016-83 was filed on November 16, 2015 for transfer of Retail Dealer General License No. 4G-067 from MFM, Inc. dba Menehune Food Mart Kapahi to Aloha Petroleum Ltd. dba Aloha Island Mart located at 5665 Kawaihau Road, Kapa'a, Kauai, Hawaii.</p> <p>d) <u>ALOHA ISLAND MART</u>: Application No. 2016-84 was filed on November 16, 2015 for transfer of Retail Dealer General License No. 4G-032 from MFM, Inc. dba Kīlauea Menehune Food Mart to Aloha Petroleum, Ltd. dba Aloha Island Mart located at 2521 Kōlo Road, Kīlauea, Kauai, Hawaii.</p>	Ms. Iida moved to accept Application Nos. 2016-81 to 2016-84 for publication and public hearing. Mr. Oda seconded the motion. Motion carried 5:0.
4.	<p><u>NEW LIQUOR LICENSE:</u></p> <p><u>BANGKOK HAPPY BOWL THAI BISTRO</u>: Application No. 2016-85 was filed on November 16, 2015 by Bangkok Happy Bowl, Inc. dba</p>	

	Bangkok Happy Bowl Thai Bistro for a Restaurant General (live music and dancing) license located at 2360 Kiahuna Plantation, Kōloa, Kauai, Hawaii.	Ms. Akita moved to accept Application No. 2016-85 for publication and public hearing. Ms. Iida seconded the motion. Motion carried 5:0.
5.	<p><u>TEMPORARY LIQUOR LICENSE:</u></p> <p>a) <u>ALOHA ISLAND MART</u>: Application No. 2016-87 was filed on November 16, 2015 by Aloha Petroleum, Ltd. dba Aloha Island Mart to operate Retail General License No. 4G-029 located at 4-1125 Kūhi'ō Highway, Kapa'a, Kauai, Hawaii. Deposited \$60.</p> <p>b) <u>ALOHA ISLAND MART</u>: Application No. 2016-88 was filed on November 16, 2015 by Aloha Petroleum, Ltd. dba Aloha Island Mart to operate Retail General License No. 4G-031 located at 8171 Kekaha Road, Kekaha, Kauai, Hawaii. Deposited \$60.</p> <p>c) <u>ALOHA ISLAND MART</u>: Application No. 2016-89 was filed on November 16, 2015 by Aloha Petroleum, Ltd. dba Aloha Island Mart to operate Retail General License No. 4G-067 located at 5665 Kawaihau Road, Kapa'a, Kauai, Hawaii. Deposited \$60.</p> <p>d) <u>ALOHA ISLAND MART</u>: Application No. 2016-90 was filed on November 16, 2015 by Aloha Petroleum, Ltd. dba Aloha Island Mart to operate Retail General License No. 4G-032 located at 2521 Kōlo Road, Kīlauea, Kauai, Hawaii. Deposited \$60.</p> <p>e) <u>BANGKOK HAPPY BOWL THAI BISTRO</u>: Application No. 2016-86 was filed on November 16, 2015 by Bangkok Happy Bowl Kauai Inc. dba Bangkok Happy Bowl Thai Bistro for a temporary license located at 2360 Kiahuna Plantation, Koloa, Kauai, Hawaii. Deposited \$60.</p>	Ms. Iida moved to approve Application Nos. 2016-86 to 2016-90 for temporary licenses. Mr. Oda seconded the motion. Motion carried 5:0.
<b>Announcements</b>	Next Scheduled Meeting: Thursday, December 3, 2015 – 4:00 pm, Mo'ikeha Building, Meeting Room #3.	
<b>Adjournment</b>		Chair Endo adjourned the meeting at 4:49 p.m.

Submitted by: \_\_\_\_\_  
Cherisse Zaima, Private Secretary

Reviewed and Approved by: \_\_\_\_\_  
Paul Endo, Chair

- ( ) Approved as is.
- ( ) Approved with amendments. See minutes of \_\_\_\_\_ meeting.